



FACT SHEET

Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Certain Steel Nails from India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam

- On June 19, 2014, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain steel nails from India, the Republic of Korea (Korea), Malaysia, the Sultanate of Oman (Oman), Taiwan, the Republic of Turkey (Turkey), and the Socialist Republic of Vietnam (Vietnam).
- The AD and CVD laws provide U.S. businesses and workers with a transparent and internationally approved mechanism to seek relief from the market-distorting effects caused by injurious dumping and unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- The petitioner for these investigations is Mid Continent Steel & Wire, Inc. (MO).
- The merchandise covered by these investigations is certain steel nails having a nominal shaft length not exceeding 12 inches.¹ Certain steel nails include, but are not limited to, nails made from round wire and nails that are cut from flat-rolled steel. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted. Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material. If packaged in combination with one or more non-subject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25.

¹ The shaft length of certain steel nails with flat heads or parallel shoulders under the head shall be measured from under the head or shoulder to the tip of the point. The shaft length of all other certain steel nails shall be measured overall.

- Excluded from the scope of these investigations are certain steel nails packaged in combination with one or more non-subject articles, if the total number of nails of all types, in aggregate regardless of size, is less than 25.
- Also excluded from the scope of these investigations are steel nails that meet the specifications of Type I, Style 20 nails as identified in Tables 29 through 33 of ASTM Standard F1667 (2013 revision).
- Also excluded from the scope of these investigations are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.20.00 and 7317.00.30.00.
- Also excluded from the scope of these investigations are nails having a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (HRC), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools.
- Also excluded from the scope of these investigations are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.
- Also excluded from the scope of these investigations are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.
- Certain steel nails subject to these investigations are currently classified under HTSUS subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.65.30, 7317.00.65.60 and 7317.00.75.00. Certain steel nails subject to these investigations also may be classified under HTSUS subheading 8206.00.00.00. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.
- In 2013, imports of certain steel nails from India, Korea, Malaysia, Oman, Taiwan, Turkey, and Vietnam were valued at an estimated \$5.9 million, \$57.2 million, \$31 million, \$48.9 million, \$99.4 million, \$10.3 million, and \$34.7 million, respectively.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before July 14, 2014.
- If the ITC determines that there is a reasonable indication that imports of certain steel nails from India, Korea, Malaysia, Oman, Taiwan, Turkey, and/or Vietnam materially injure, or threaten material injury to, the domestic industry, the investigations will continue and Commerce will be scheduled to make its preliminary CVD determinations in August 2014 and its preliminary AD determinations in November 2014, unless the statutory deadlines are extended. If the ITC's preliminary determinations are negative, the investigations will be terminated.

Alleged Dumping Margins:

COUNTRY	DUMPING MARGIN
India	450.96 to 589.78 percent
Korea	57.07 to 61.09 percent
Malaysia	27.86 to 39.35 percent
Oman	154.33 percent
Taiwan	78.17 percent
Turkey	41.19 to 115.56 percent
Vietnam	323.99 percent

Estimated Subsidy Rates:

COUNTRY	SUBSIDY RATE
India	<i>Above de minimis*</i>
Korea	<i>Above de minimis*</i>
Malaysia	<i>Above de minimis*</i>
Oman	<i>Above de minimis*</i>
Taiwan	<i>Above de minimis*</i>
Turkey	<i>Above de minimis*</i>
Vietnam	<i>Above de minimis*</i>

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR:

EVENT	AD INVESTIGATIONS	CVD INVESTIGATIONS
Petitions Filed	May 29, 2014	May 29, 2014
DOC Initiation Date	June 18, 2014	June 18, 2014
ITC Preliminary Determinations*	July 14, 2014†	July 14, 2014†
DOC Preliminary Determinations	November 5, 2014	August 22, 2014
DOC Final Determinations	January 20, 2015†	November 5, 2014
ITC Final Determinations**	March 5, 2015	December 22, 2014†
Issuance of Orders***	March 12, 2015	December 29, 2014†

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

†Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

* If the ITC makes negative preliminary determinations of injury, the investigations are terminated.

**This will take place only in the event of final affirmative determinations from Commerce.

***This will take place only in the event of final affirmative determinations from Commerce and the ITC.

IMPORT STATISTICS:

INDIA	2011	2012	2013
Volume (metric tons)	50	55	990
Value (USD)	117,800	125,200	5,943,000
KOREA	2011	2012	2013
Volume (metric tons)	35,900	44,600	48,100
Value (USD)	47,149,000	58,092,000	57,209,000
MALAYSIA	2011	2012	2013
Volume (metric tons)	21,000	29,000	30,300
Value (USD)	23,535,000	34,478,000	31,024,000
OMAN	2011	2012	2013
Volume (metric tons)	40	6,800	35,300
Value (USD)	48,100	8,347,000	48,885,000
TAIWAN	2011	2012	2013
Volume (metric tons)	53,300	77,100	68,400
Value (USD)	80,828,000	113,728,000	99,446,000
TURKEY	2011	2012	2013
Volume (metric tons)	480	2,800	8,900
Value (USD)	636,600	3,591,000	10,346,000
VIETNAM	2011	2012	2013
Volume (metric tons)	11,600	26,200	39,800
Value (USD)	11,770,000	25,585,000	34,712,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500.) Some HTSUS subheadings are basket categories and may cover both subject and non-subject merchandise.